



Joe Leibham

State Senator
9th State Senate District

~ 2011 Legislative Year In Review ~

I am pleased to offer the following review of the 2011 legislative session. Without a doubt, it has been a busy and challenging year as we have worked to balance our state budget while improving the climate in our state for economic development and the creation of private sector jobs. I have respected the positive input and constructive criticism offered along way. We have more work to do and I look forward to your continued grassroots involvement in the 2012 legislative session.

Senator Leibham's 2011-12 Leadership & Committee Responsibilities

- President Pro Tempore of Senate
- Member, Joint Committee on Finance (JFC)
- Chairman, Senate Committee on Economic Development & Jobs, Veterans and Military Affairs
- Vice Chair, Senate Committee on Transportation & Elections
- Member, Joint Committee for the Review of Administrative Rules (JCRAR)
- Member, Joint Legislative Council
- Member, Transportation Projects Commission
- Member, Highway Safety Commission

Highlights of 2011-12 Legislative Session (as of December 15, 2011)

The 2011-2012 Legislative Session has been focused on making Wisconsin more competitive in the areas of private sector job creation and economic development.

Our core philosophy is to help people become employed in the private sector so they can use their skills and talents to earn an income, support themselves and their family and control their destiny instead of being beholden and controlled by government, tax-payer subsidized entitlement programs.

The following summary provides a general overview of actions taken by the legislature since January 2011. The items highlighted relate to our efforts to improve the climate in our state for the retention and creation of private sector jobs.

Special Session 1 on Jobs & Economy

- Created the Wisconsin Economic Development Corporation (WEDC), a public/private partnership focused on business development and jobs.
- Tax Reforms:
 - Two year corporate income tax holiday for new businesses that re-locate in Wisconsin.
 - New job creation tax deduction = \$4000 for businesses with less than \$5 m in payroll & \$2000 for businesses with more than \$5 m in payroll.
 - Expanded jobs tax credit and the angel or early seed tax credit.
 - State tax deduction for investments made in Health Savings Accounts.
- Litigation Reform – changes to our state laws that will:
 - Reduce frivolous lawsuits by capping the amount of damages that may be awarded.
 - Set product liability time limits.
- Regulatory Reform – changes to our administrative rule process include:
 - The Governor now needs to approve the introduction of new or revised agency rules.
 - There must be a cost benefit analysis performed for proposed rules.
 - We streamlined the process for individuals and businesses to be compliant with rules.

Highlights 2009-11 Budget Repair & 2011-13 State Budget

The 2011-13 State Budget, with the 2009-11 Budget Repair Bill eliminates a projected \$3.6 billion deficit and ends the biennium with books balanced for the first time in 15 years. Highlights of these bills include:

- No tax or general fee increases – actually reduces taxes by \$24 million
- Freezes property taxes state wide for two years and permanently caps future increases

2009-11 Budget Repair & -2011-13 State Budget - continued

- Pays off bills left from past budget:
 - \$235 million debt to the Patient Compensation Fund - PAID
 - \$59 million debt for Wisconsin Minnesota Tax Reciprocity - PAID
 - Stabilizes transportation program by restoring funds raided in past budgets
- Reduces state bonding by nearly \$2 billion
- Creates a better “Jobs Climate” by encouraging investment, small business start ups and entrepreneurship
 - Manufactures / Agriculture Tax Credit – reduces income taxes paid on income generated from manufacturing or agriculture in Wisconsin
 - Encouraging investments in Wisconsin businesses – 100 % exclusion for any capital gain reinvested in a Wisconsin business within 180 days of sale of asset
- Controls wage and benefit spending for government employees – including legislators and the Governor.
 - Comprehensive collective bargaining reform – only base wage will be bargained
 - Requiring most government employees to cover 50% of annual pension contribution and increased premiums for health insurance. For state employees 12.6% of premiums
- Public education funding remains the top priority of state tax funds
- Provides \$1.2 billion in new state funds to fill \$1.8 billion hole left in Medical Assistance programs that were funded in last budget with one-time federal job creation stimulus funds
- Maintains SeniorCare prescription drug program
- Requires participants of state government programs to be U.S. citizens
- Tightens eligibility for entitlement programs and focuses on eliminating fraud
- Funds military funeral honors program and invests in the Veterans Trust Fund
- Reinstates truth in sentencing for individuals who commit felony crimes
- Ends state funding to organizations that promote and perform abortions while investing in women’s health and prenatal care
- Eliminates numerous state mandates on local units of government
- Maintains Recycling, Stewardship Program, and Water Quality Standards

Special Session 2 on Jobs & Economy

Special Session (SS) Senate Bill (SB) 2 - Small Business Loan Guarantee Program: This bill, that I was pleased to author, will allow more small businesses from across the state to be eligible to participate in the Small Business Loan Guarantee Program. The program, which is administered by the Wisconsin Housing and Economic Development Authority (WHEDA), provides access to loan guarantees for small businesses that need capital to open or expand. Small businesses are the foundation of our state’s economy and many want to expand and add jobs but are unable to do so because of lending restrictions recently adopted by our federal government. The WHEDA program, which has been in place since 1991, does not rely on state tax dollars and has a loan repayment rate of almost 99%. The bill passed both the Senate and Assembly on strong bipartisan votes and has been signed into law by Governor Scott Walker.

(SB) 40 - Advanced Manufacturing Skills Grants: This bill will allocate additional funding to this successful employee training program that is offered to businesses statewide via our Technical College System. Numerous area businesses have already participated in the program with great success. Many others have expressed the need to train their workforce for new equipment and technologies. Based on this knowledge and input, I voted in support of the proposal. The bill has passed the Senate on a strong bipartisan vote and is now being considered by the State Assembly.

(SB) 203 – Reducing Health Care Taxes: This bill will provide a state individual income tax exclusion for the value of an employer-provided health insurance benefit that is extended to an employee's non-dependent child who is under the age of 27 years.

Special Session 2 on Jobs & Economy

(SS) (SB) 23 - Department of Revenue (DOR) Tax Administration: This bill seeks to provide fairness, justice and impartiality for business and individual taxpayers by requiring DOR to follow the advice and guidance they provide regarding state tax laws. In short, DOR needs to keep its word so that taxpayers can rely on the advice and rulings provided.

Numerous area businesses that I have visited with have asked that the state, through the DOR, serve first as an advisor and a resource for understanding our complex tax laws and then as an enforcer when necessary. SS SB 23 seeks to bring about this balance and I was pleased to vote in favor of this proposal. The bill passed both the Senate and Assembly and has been signed into law by Governor Scott Walker.

Freight Friendly Wisconsin: The legislature passed numerous bills that bring Wisconsin freight regulations more in line with our surrounding states; lowering the cost and complications of moving products across our state.

(SS) (SB) 12 - Attorney Fees: This bill defines factors for a court to consider in determining the reasonableness of attorney fees and limits attorney fees to three times the award with certain limiting factors and exemptions including whether non-monetary relief is awarded or in cases involving both compensatory damages and non-monetary relief.

Assembly Bill (AB) 179 – TIF Districts: This bill allows for the creation of multijurisdictional tax incremental financing districts (TIF's). Signed into law.

Other Legislative Proposals in Regular Session

(AB) 7 - Voter Photo ID: This law requires voters to confirm their identity with a photo ID prior to voting. Signed into law.

(SB) 96 – Updating Our Auto Dealership Franchise Law: Wisconsin, like every other state in the nation, has laws in place that provide a legal structure for the relationship between the large automobile manufacturers and our local automobile dealerships. In Wisconsin, these laws have been in place for over 80 years. SB 96, that I was pleased to author, updates our auto dealership franchise laws to address changes in the industry in 2011 following the bankruptcies of numerous manufacturers and the federal government bailouts.

There are over 450 privately owned automobile dealerships in Wisconsin and they employ over 20,000 people across the state. In the 9th Senate District alone, there are 22 auto dealerships employing over 400 people. In addition to the jobs the dealerships provide, most of them are strong supporters and sponsors of our community events and programs. SB 96 seeks to ensure that these important community businesses and employers remain, grow and thrive in our state and I was pleased to vote in support of this legislation. The bill passed both the Senate and Assembly on strong bipartisan votes and has been signed into law by Governor Scott Walker.

(SB) 242 – Updating Laws that Regulate Bed & Breakfast Operations: Currently, Wisconsin law prevents a building built or modified after May 11, 1990 from being operated as a bed and breakfast facility. Numerous individuals and families from the 9th District and across the state have contacted me and asked that I work with them to update this portion of the state statute. Each of them would like to invest their resources in a bed and breakfast business, create jobs and provide lodging opportunities, but are unable to do so because their property was constructed or modified after 1990. There is no logical reason for this date remaining in statute, so SB 242 removes the date and allows more people to

accomplish their dream of opening a small business and creating jobs. The bill passed both the Senate and Assembly on strong bipartisan votes and has been signed into law by Governor Scott Walker.

(AB) 96 – Veterans Administration Reform: This proposal makes important changes to the structure and make up of the state Board of Veterans Affairs and the management of the Department of Veterans Affairs (DVA). Signed into law.

Other Legislative Proposals in Regular Session - continued

(SB) 93 – Concealed Carry: This law brings Wisconsin in line with 48 other states that allow legal and law abiding citizens to carry a concealed weapon after receiving training & a permit. Signed into law.

(SB) 109 – Protection for Law Enforcement: This bill updates laws relating to injuring a law enforcement officer or corrections officer. Signed into law.

(SB) 237 - Local Control of Sex Education: This bill restores local control in the development of sex education curriculum instead of a state government mandate. Passed by Senate – now in Assembly.

(AB) 102 – Crimes Against Children: This bill allows for a five-year penalty enhancer for crimes against a child by a compensated child care provider. Signed into law.

(AB) 69 – Castle Doctrine: Provides additional immunity to property owners who defend themselves and their property from non-legally present intruders. Signed into law.

(SB) 267 – Election Reporting: This bill allows local election boards to combine wards and the required reporting requirements for voting. Passed by Senate – now in Assembly.

(SB) 115 – Wisconsin Presidential Primary: Moves Wisconsin Presidential primary from the third Tuesday in February to the first Tuesday in April. Signed into law.

(SB) 116 – Partisan Primary Date: This bill moves the Wisconsin fall partisan primary from the 2nd Tuesday in September to the 2nd Tuesday in August so that the ballots of overseas military personnel can be counted. Signed into law.

(SB) 117 – Venue for Lawsuits Against State: This bill allows courts in counties other than Dane to consider cases and appeals against the State of Wisconsin. Signed into law.

(SB) 7 – Automobile Insurance Requirement: This bill repeals most new mandates required for auto insurance that were approved in the 2009-11 state budget. Mandatory auto insurance is maintained. Signed into law.

(SB) 49 – Tracking Immoral Conduct of Those Licensed by DPI: This bill requires Department of Public Instruction to maintain records of immoral conduct of people licensed through that agency and make this information available to school districts. Signed into law.

(SB) 148 – Legislative Redistricting: Per the state constitution this bill develops new legislative district lines. Signed into law.

The new map will make substantial changes for the 9th Senate district. The district has actually experienced a decline in population over the past ten years going from 161,775 persons in 2000 154,979 persons in 2010, according to the census. The boundaries will therefore have to be expanded to gather a population base of just over 172,000 people.

The new map adds the following communities to the 9th district: the Town of Maple Grove, the Town of Chilton, the City of Chilton, the Town of Lima, the Town of Wilson, the Town of Sherman, the Town of Holland, the Village of Cedar Grove, the Village of Oostburg, the Village of Random Lake and the Village of Adell. The following communities are removed from the 9th district: the Town of Greenbush, the Town of Russell, the Town of Forest, the Town of Marshfield, the Village of Mount Calvary, the Village of St.

Cloud, the Town of Calumet, the Town of Brothertown, the Town of New Holstein and the City of New Holstein.

Again, this is just a partial listing of actions taken by the legislature. For more information, on other bills signed into law (formally know as ACTS), log on to: <http://legis.wisconsin.gov/rsb/2acts.html>

As always, it has been a pleasure communicating with you. Please remember to communicate with me and share your input by calling 888-295-8750, writing to me at P.O. Box 7882, Madison, WI 53707-7882, or by e-mailing me at Sen.Leibham@legis.wi.gov. You can also log on to the 9th Senate District on-line office at www.leibhamsenate.com.

It is an honor to work for and represent the residents of the 9th District in the State Senate.